

Exhibit N



ZURICH

Verification Of Policy Records

The attached record constitutes documents relevant to the contents of policy CFP 26465766 effective 05/26/00, reprinted as of 05/25/01, generated from computer data maintained by the issuing company. Cosmetic changes not affecting coverage may have occurred to the format of the policy over time.

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COMMERCIAL GENERAL LIABILITY

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the Company providing this insurance.

The word "insured" means any person or organization qualifying as such under WHO IS AN INSURED (SECTION II).

Other words and phrases in quotation marks have special meaning. Refer to DEFINITIONS (SECTION V).

QUICK REFERENCE

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SECTION I - COVERAGES

COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in LIMITS OF INSURANCE (SECTION III); and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS - COVERAGES A AND B.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
- (2) The "bodily injury" or "property damage" occurs during the policy period.

- c. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions.

This insurance does not apply to:

a. Expected or Intended Injury

"Bodily injury" or "property damage" ex-

the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distribut-

d. **Workers Compensation and Similar Laws**

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. **Employer's Liability**

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that employee as a consequence of (1) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. **Pollution**

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured;
 - (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
 - (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any insured or any person or organi-

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations:

- (i) If the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor; or
- (ii) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in anyway respond to, or assess the effects of "pollutants".

Subparagraph (d)(i) does not apply to "bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the fuels, lubricants or other operating fluids are intentionally discharged, dispersed or released, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent to be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor.

Subparagraphs (a) and (d)(i) do not apply to "bodily injury" or "property damage" arising out of heat, smoke or fumes from a hostile fire.

As used in this exclusion, a hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.

- (2) Any loss, cost or expense arising out of any:
 - (a) Request, demand or order that any insured or others test for, monitor, clean up, remove, con-

assess the effects of "pollutants"; or

- (b) Claim or "suit" by or on behalf of any person, organization or governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants".

g. Aircraft, Auto, or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 51 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (5) An aircraft you do not own that you charter with a paid crew.

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition or stunting activity.

i. War

"Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

j. Damage to Property

"Property damage" to:

- (1) Property you own, rent, or occupy;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you;

Paragraphs (3), (4), (5), and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage to Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage to Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

which the damage arises was performed on your behalf by a subcontractor.

m. Damage to Impaired Property or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall of Products, Work or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

Exclusions c. through n. do not apply to damage by "specific perils" to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in LIMITS OF INSURANCE (SECTION III).

COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal injury" or "advertising injury" to which this insur-

"suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal injury" or "advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" or offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in LIMITS OF INSURANCE (SECTION III); and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS - COVERAGES A AND B.

b. This insurance applies to:

- (1) "Personal injury" caused by an offense arising out of your business, excluding advertising, publishing, broadcasting or telecasting done by or for you;
- (2) "Advertising injury" caused by an offense committed in the course of advertising your goods, products or services;

but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions.

This insurance does not apply to:

a. "Personal injury" or "advertising injury":

- (1) Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
- (2) Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
- (3) Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of the insured; or

- (4) Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.
- b. "Advertising injury" arising out of:
- (1) Breach of contract, other than misappropriation of advertising ideas under an implied contract;
 - (2) The failure of goods, products or services to conform with advertised quality or performance;
 - (3) The wrong description of the price of goods, products or services;
 - (4) An offense committed by an insured whose business is advertising, broadcasting, publishing or telecasting; or
 - (5) A contract or agreement under which the insured has assumed the liability of another party. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.
- c. "Personal injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages:
- (1) That the insured would have in the absence of the contract or agreement; or
 - (2) Assumed in a written contract or agreement that is an "insured contract", provided the "personal injury" is caused by an offense which occurs subsequent to the execution of the contract or agreement.
- d. Any loss, cost or expense arising out of any:
- (1) Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way, respond to, or assess the effects of "pollutants"; or
 - (2) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of "pollutants".

1. Insuring Agreement

- a. (1) We will pay medical expenses as described below for "bodily injury" caused by an accident:
 - (a) On premises you own or rent;
 - (b) On ways next to premises you own or rent; or
 - (c) Because of your operations.
- (2) This applies only if:
 - (a) The accident takes place in the "coverage territory" and during the policy period;
 - (b) The expenses are incurred and reported to us within three years of the date of the accident; and
 - (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
 - (1) First aid at the time of an accident;
 - (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions.

We will not pay expenses for "bodily injury":

- a. To any insured.
- b. To a person hired to do work for or on behalf of any insured or a tenant of any insured.
- c. To a person injured on that part of premises you own or rent that the person normally occupies.
- d. To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.
- e. To a person injured while taking part in

- f. Included within the "products-completed operations hazard".
- g. Excluded under Coverage A.
- h. Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

COVERAGE D. LIMITED CARE, CUSTODY OR CONTROL

1. Insuring Agreement

- a. We will pay for "property damage" to "covered property" in the care, custody, or control of the insured caused by an "occurrence" to which this insurance applies.
- b. This insurance applies to "property damage" to "covered property" only if:
 - (1) The "property damage" to "covered property" is caused by an "occurrence" that takes place in the "coverage territory";
 - (2) The "property damage" to "covered property" occurs during the policy period; and
 - (3) The damages are incurred and reported to us within one year of the date of "occurrence".
- c. We will make these payments regardless of fault. These payments will not exceed the limits shown in the LIMITS OF INSURANCE (SECTION III), subject to the Per Claim Deductible.

2. Exclusions.

We will not pay damages for "property damage" to "covered property":

- a. Eligible for coverage under Coverage A.
- b. On premises owned, leased, rented or occupied with permission, by the insured.
- c. Excluded under Coverage A., except for items (4) and (5) of exclusion j.
- d. Which are tools or equipment of others in the care, custody, or control of the insured.

SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

We will pay with respect to any claim we investigate or settle, or any "suit" against an

- 2. The cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- 3. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- 4. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.
- 5. All costs taxed against the insured in the "suit".
- 6. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- 7. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

- a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- b. This insurance applies to such liability assumed by the insured;
- c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
- d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

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e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

f. The indemnitee:

(1) agrees in writing to:

- (a) cooperate with us in the investigation, settlement or defense of the "suit";
- (b) immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
- (c) notify any other insurer whose coverage is available to the indemnitee; and
- (d) cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(2) provides us with written authorization to:

- (a) obtain records and other information related to the "suit"; and
- (b) conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of paragraph 2.b.(2) of COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY (SECTION I), such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys fees and necessary litigation expenses as Supplementary Payments ends when:

- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in paragraph f. above are no longer met

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

2. Each of the following is also an insured:

- a. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" is an insured for:

(1) "Bodily injury" or "personal injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while that co-"employee" is either in the course of his or her employment or while performing duties related to the conduct of your business;

- (b) To the spouse, child, parent, brother or sister of that co-"employee" as a consequence of Paragraph (1)(a) above;

- (c) For which there is any obligation

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described in paragraphs (1)(a) or (b) above; or

- (d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a) Owned, occupied or used by; or
(b) Rented to, in the care, custody, or control of, or over which physical control is being exercised for any purpose by

you, any of your "employees", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- b. Any person (other than your "employee"), or any organization while acting as your real estate manager.
- c. Any person or organization having proper temporary custody of your property if you die, but only:
- (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.
- d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
- e. Your subsidiaries and subsidiaries of your subsidiaries will qualify as Named Insureds if shown as a Named Insured in the Declarations, or if not shown as a Named Insured in the Declarations:
- (1) Such entity has been incorporated or organized prior to the effective date of this policy, under the laws of the United States of America (including any state thereof), its territories or possessions or Canada (including any province thereof); and
 - (2) You currently own an interest in such entity of more than fifty percent.

Unless shown as a Named Insured in the Declarations, coverage under this provision is afforded only until the 180th day

- (1) Your first Commercial General Liability Coverage Part policy period with us; or

- (2) Your first Commercial General Liability Coverage Part policy period with us after twelve or more months from the expiration of your last Commercial General Liability Coverage Part with us.

- f. Any person or organization other than an architect, engineer or surveyor, which requires in a "work contract" that such person or organization be made an insured under this policy. However, such person or organization shall be an insured only with respect to covered "bodily injury", "property damage", "personal injury" and "advertising injury" which results from "your work" under that "work contract".

The coverage afforded to such person or organization does not apply to "bodily injury" or "property damage" occurring after the earliest of the following times:

- (1) When "your work" under the "work contract" (other than service, maintenance or repairs) has been completed.
- (2) When that portion of "your work" under the "work contract" out of which any injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.
- (3) When our coverage for you under this policy or a renewal of this policy terminates and is not continued by other insurance provided by us.

- g. Any person or organization to whom you are obligated by virtue of a written "insured contract" to provide insurance such as is afforded by this policy, but only with respect to liability arising out of the ownership, maintenance, or use of that part of any premises or land leased to you.

This does not apply to:

- (1) Any "occurrence" that takes place after you cease to be a tenant on

(2) Structural alterations, new construction or demolition operations performed by or on behalf of such insured.

- h. Any state or political subdivision, but only as respects legal liability incurred by the state or political subdivision solely because it has issued a permit with respect to operations performed by you or on your behalf.

This insurance does not apply to:

- (1) "Bodily injury", "property damage", "personal injury" or "advertising injury" arising out of operations performed for the state or political subdivision; or
- (2) "Bodily injury" or "property damage" included within the "products-completed operations hazard".

- i. Any person or organization who is the lessor of leased equipment leased to you, but only with respect to their liability arising out of the maintenance, operation or use by you of such equipment subject to the following additional exclusions:

This insurance does not apply to:

- (1) Any "occurrence" that takes place after the equipment lease expires; or
- (2) "Bodily injury" or "property damage" arising out of the sole negligence of that person or organization.

- j. Any architect, engineer or surveyor engaged by you but only with respect to liability arising out of your premises or "your work".

This insurance, with respect to such architects, engineers, or surveyors, does not apply to "bodily injury", "property damage", "personal injury" or "advertising injury" arising out of the rendering or failure to render any professional services by or for you including:

- (1) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; and
- (2) Supervisory, inspection, architectural or engineering activities.

of your ownership, maintenance or use of premises.

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for such insured.

3. With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

- a. "Bodily injury" to a co-"employee" of the person driving the equipment; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

4. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization;
- c. Coverage B does not apply to "personal injury" or "advertising injury" arising out of an offense committed before you acquired or formed the organization; and
- d. Coverage D does not apply to "property damage" that occurred before you acquired or formed the organization.

No person or organization is an insured with

pany that is not shown as a Named Insured in the Declarations.

SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations, or shown below, and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under Coverage C;
 - b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - c. Damages under Coverage B.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal injury" and all "advertising injury" sustained by any one person or organization.
5. Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage A; and
 - b. Medical expenses under Coverage C because of all "bodily injury" and "property damage" arising out of any one "occurrence".
6. Subject to 5. above, the "Specific Perils" Liability Limit is the most we will pay under Coverage A for damages because of "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner, arising out of "specific perils".
7. Subject to 5. above, the Medical Expense Limit is the most we will pay under Cover-

age C for all medical expenses because of "bodily injury" sustained by any one person.

8. The Limited Care, Custody or Control Aggregate Limit is the most we will pay for "property damage" to "covered property" under Coverage D.
9. Subject to 8. above, the Limited Care, Custody or Control Each Occurrence Limit is the most we will pay in excess of the Limited Care, Custody or Control deductible, for "property damage" to "covered property" under Coverage D arising out of any one "occurrence".

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy.

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit.

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

- b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

e. Knowledge of "occurrence", offense, claim or "suit" by an agent, servant or "employee" of an insured shall not in itself constitute your knowledge unless your executive officer, manager, or partner has received notice of the "occurrence", offense, claim, or "suit".

f. Failure by an agent, servant or "employee" of an insured (other than an "executive officer", manager, or partner) to notify us of an "occurrence", offense, claim or "suit" will not be considered a failure to comply with paragraphs a. and b. above.

3. Legal Action Against Us.

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial but we will not be

that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance.

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in c. below.

b. Excess Insurance

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

- (1) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
- (2) That is Building insurance for premises rented to you or temporarily occupied by you with permission of the owner;
- (3) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Coverage A (SECTION I).
- (4) That is available to the insured as an additional insured under that other insurance; or
- (5) That is or was purchased to insure:
 - (a) Your participation in a partnership or joint venture which terminated or ended prior to the effective date of this policy; or
 - (b) A subsidiary not shown as a Named Insured to the extent such subsidiary is an insured as described in paragraph 2.e. of WHO IS AN INSURED (SECTION II).

When this insurance is excess, we will

if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy term is greater than the earned premium, we will return the excess to the first Named Insured.

- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations.

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds.

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us.

If the insured has rights to recover all or part of any payments we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew.

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

10. Unintentional Errors And Omissions.

Any unintentional error or omission in the description of, or failure to completely describe, any premises or operations intended to be covered by this Coverage Part will not invalidate or affect coverage for those premises or operations. However, you must report such error or omission to us as soon as practicable after its discovery.

1. "Advertising injury" means injury arising out of one or more of the following offenses:

- a. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- b. Oral or written publication of material that violates a person's right of privacy;
- c. Misappropriation of advertising ideas or style of doing business; or
- d. Infringement of copyright, title, or slogan.

2. "Auto" means:

- a. A land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment.
- b. Self-propelled vehicles with the following types of permanently attached equipment:

(1) Equipment designed primarily for:

- (a) Snow removal;
- (b) Road maintenance, but not construction or resurfacing;
- (c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

"Auto" does not include "mobile equipment".

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright, or death resulting from bodily injury, sickness or disease.

4. "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in a. above; or

portation to or from any place not included in a. above; or

c. All parts of the world if:

(1) The injury or damage arises out of:

- (a) Goods or products made or sold by you in the territory described in a. above; or
- (b) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; and

(2) The insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement we agree to.

5. "Covered property" means:

- a. Personal property in the care, custody, or control of the insured; or
- b. That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations.

6. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

7. "Executive officer" means any person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
- b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

- a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
- b. Your fulfilling the terms of the contract or agreement.

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- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by "specific perils" to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
 - b. A sidetrack agreement;
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- 1. That indemnifies a railroad for "bodily injury", "property damage" or "personal injury" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- 2. That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
- 3. Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of

those listed in 2. above, and supervisory, inspection, architectural or engineering activities; or

- 4. That indemnifies a person or organization for "personal injury":

- a. Arising out of advertising, publishing, broadcasting or telecasting done for you or on your behalf; or
- b. To an "employee" of such person or organization.

- 10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

- 11. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

- 12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in a, b, c, or d.

bility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in a., b., c., d., or e. above maintained primarily for purposes other than the transportation of persons or cargo.

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal injury" means injury, other than "bodily injury", arising out of one or more of the following offenses:

a. False arrest, detention or imprisonment;

b. Malicious prosecution;

c. Any:

(1) Wrongful eviction from;

(2) Wrongful entry into; or

(3) Invasion of the right of private occupancy of

a room, dwelling or premises that a person or organization occupies by or on behalf of its owner, landlord, or lessor.

d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or

e. Oral or written publication of material that violates a person's right of privacy.

15. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;

(2) The existence of tools, uninstalled equipment or abandoned or unused materials; or

(3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the

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18. "Specific perils" means fire; lightning; explosion; windstorm or hail; smoke, aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; weight of snow, ice, sleet; or "water damage".
19. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage", "personal injury" or "advertising injury" to which this insurance applies are alleged. "Suit" includes:
- An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
20. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
21. "Water damage" means accidental discharge or leakage of water or steam as a direct result of the breaking or cracking of any part of a system or appliance containing water or steam.
22. "Work contract" means a written agreement into which you enter for work performed by you or on your behalf.
23. "Your product" means:
- Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - You;
 - Others trading under your name; or
 - A person or organization whose business or assets you have acquired; and
 - Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- "Your product" includes:
- Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product", and
 - The providing of or failure to provide warnings or instructions.
- "Your product" does not include vending machines or other property rented to or located for the use of others but not sold.
24. "Your work" means:
- Work or operations performed by you or on your behalf, but does not include work or operations performed by another entity which joined with you to form a partnership or joint venture not shown as a Named Insured in the Declarations, which terminated or ended prior to the effective date of this policy; and
 - Materials, parts or equipment furnished in connection with such work or operations.
- "Your work" includes:
- Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and
 - The providing of or failure to provide warnings or instructions.

BILL	POLICY NUMBER	PRODUCER NUMBER	ACCOUNT NUMBER	AUDIT PERIOD
D	CFP 26465766	14697981	MO03987781-001-00001	ANNUAL
BRANCH ZX ZURICH GROUP-MARLTON NJ				RP EFF 05/25/2001



ZURICH

**PRECISION SPECIALTY CONTRACTORS
TRADE CONTRACTORS PROGRAM
COMMERCIAL UMBRELLA DECLARATIONS**

This coverage part consists of this declarations form and the coverage form and endorsements indicated as applicable on the forms list.

LIMITS OF INSURANCE	
GENERAL AGGREGATE LIMIT	\$1,000,000
PRODUCTS AND COMPLETED OPERATIONS AGGREGATE LIMIT	\$1,000,000
EACH OCCURRENCE LIMIT	\$1,000,000
RETAINED LIMIT (NOT COVERED BY UNDERLYING INSURANCE)	\$0

SCHEDULE OF UNDERLYING INSURANCE

TYPE	CARRIER/POLICY NUMBER	POLICY PERIOD	LIMITS OF INSURANCE	
Commercial Automobile Liability	ASSURANCE COMPANY OF AMERICA CFP 26465766	05/26/2000	EACH ACCIDENT LIMIT - CSL	\$1,000,000
		05/26/2001		
Commercial General Liability	ASSURANCE COMPANY OF AMERICA CFP 26465766	05/26/2000	General Aggregate Limit	\$2,000,000
			Products & Completed Operations Aggregate Limit	\$2,000,000
		05/26/2001	Personal and Advertising Injury Limit	\$1,000,000
			Each Occurrence Limit	\$1,000,000
Employers Liability	MARYLAND CASUALTY COMPANY TC891962549	05/26/1998	Bodily Injury Each Accident	\$100,000
		05/26/1999	Bodily Injury By Disease Policy Limit	\$500,000
			Bodily Injury By Disease Each Employee	\$100,000

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COMMERCIAL UMBRELLA COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the NAMED INSURED stated on the DECLARATIONS PAGE, and any other person or organization qualifying as a NAMED INSURED under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under SECTION 3. WHO IS AN INSURED.

Other words and phrases that appear in quotation marks have special meaning. Refer to SECTION 5. DEFINITIONS.

SECTION 1. INSURING AGREEMENTS

1.01 Coverage

- A) We will pay on behalf of the insured those sums in excess of the "retained limit" which the insured becomes legally obligated to pay as damages for:
 - 1) "Bodily injury" or "property damage" occurring during the POLICY PERIOD stated on the DECLARATIONS PAGE and caused by an "occurrence";
 - 2) "Personal injury" caused by an offense committed during the POLICY PERIOD stated on the DECLARATIONS PAGE and arising out of your business, excluding advertising, publishing, broadcasting or telecasting done by or for you;
 - 3) "Advertising injury" caused by an offense committed during the POLICY PERIOD stated on the DECLARATIONS PAGE and in the course of advertising your goods, products or services.
- B) No other obligation or liability to pay sums or perform any act or service is covered unless explicitly provided for under Item 1.02, Defense, Settlement and Supplementary Payments.

1.02 Defense, Settlement and Supplementary Payments

- A) When "underlying insurance" does not apply to an "occurrence" or offense and coverage for the "occurrence" or offense is provided by this coverage part, we have the right and duty to defend any "suit" seeking damages but:
 - 1) The amount we will pay for damages, subject to the "retained limit", is limited as described in Item 1.03, Limits of Insurance;
 - 2) We may, at our option, investigate any "occurrence" or offense and settle any "claim" or "suit" that may result;
 - 3) The amount we pay for defense is not subject to the "retained limit" and is in addition to the applicable LIMITS OF INSURANCE stated on the DECLARATIONS PAGE; and
 - 4) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments and settlements.
- B) When "underlying insurance" does apply to an "occurrence" or offense, we are not obligated to investigate, defend or be responsible for payment of supplementary expenses provided by the "underlying insurance". However, we have the right and opportunity to associate with you and your underlying insurer in the defense and control of any "claim" or "suit" reasonably likely to involve us. Should this occur, you are obligated to cooperate fully with us.

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of any "claim" or "suit" against you resulting from the same "occurrence" or offense. Our coverage part must cover the "occurrence" or offense and be the immediate excess coverage of your "underlying insurance". When we associate with you or assume charge of the defense of any "claim" or "suit", we will do so at our own expense. The amount we pay for defense is in addition to the applicable LIMITS OF INSURANCE stated on the DECLARATIONS PAGE. Our right and duty to defend end when we have used up the applicable limits of insurance in the payment of judgments and settlements.

- C) Supplementary Payments. We will pay with respect to any "claim" or "suit" we defend under this coverage part:
- 1) All expenses we incur.
 - 2) The cost of bail bonds required because of an "occurrence" or traffic law violations arising out of the use of any vehicle to which this coverage part applies. We do not have to furnish these bonds.
 - 3) The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - 4) All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the "claim" or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
 - 5) All costs taxed against the insured in the "suit".
 - 6) Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
 - 7) All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

The amount we pay for Supplementary Payments is in addition to the applicable LIMITS OF INSURANCE stated on the DECLARATIONS PAGE. Our duty to make Supplementary Payments described in 1), 2), 3), 4), and 5), above, ends when we have used up the applicable limit of insurance in the payments of judgments and settlements.

1.03 Limits of Insurance

- A) The LIMITS OF INSURANCE shown on the DECLARATIONS PAGE and the rules below fix the most we will pay regardless of the number of:
- 1) Insureds;
 - 2) "Claims" made or "suits" brought; or
 - 3) Persons or organizations making "claims" or bringing "suits".
- B) If there is a GENERAL AGGREGATE LIMIT stated in the LIMITS OF INSURANCE on the DECLARATIONS PAGE, that limit is the most we will pay for all injuries and damages other than those arising out of the "products-completed operations hazard" or arising out of the ownership, operation, maintenance, use, "loading or unloading", or entrustment to others of an "auto".
- C) If there is a PRODUCTS-COMPLETED OPERATIONS AGGREGATE LIMIT stated in the LIMITS OF INSURANCE on the DECLARATIONS PAGE, that limit is the most we will pay for all injuries or damages arising out of the "products-completed operations hazard".
- D) If there is a COMBINED AGGREGATE LIMIT stated in the LIMITS OF INSURANCE on the DECLARATIONS PAGE, that limit is the most we will pay for all injuries or damages, other than those arising out of the ownership, operation, maintenance, use, "loading or unloading", or entrustment to others of an "auto".

- E) Subject to B), C), or D) above, whichever applies, the EACH OCCURRENCE LIMIT stated in the LIMITS OF INSURANCE on the DECLARATIONS PAGE, is the most we will pay for all damages arising from a single "occurrence" or offense.

The Limits of Insurance set forth in A), B), C), D), and E), above, apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the POLICY PERIOD shown on the DECLARATIONS PAGE, unless the POLICY PERIOD is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be considered part of the last preceding period for purposes of determining the Limits of Insurance.

1.04 Territory

This coverage part applies to a covered "occurrence" or offense that happens anywhere.

SECTION 2. EXCLUSIONS

This insurance does not apply to:

2.01 Advertising Injury, Personal Injury

A) "Advertising injury" or "personal injury":

- 1) Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
- 2) Arising out of oral or written publication of material whose first publication took place before the beginning of the POLICY PERIOD;
- 3) Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of the insured; or
- 4) For which the insured has assumed liability in a contract or agreement. However, this does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

B) "Advertising injury" arising out of:

- 1) Breach of contract, other than misappropriation of advertising ideas under an implied contract;
- 2) The failure of goods, products or services to conform with advertised quality or performance;
- 3) The wrong description of the price of goods, products or services; or
- 4) An offense committed by an insured whose business is advertising, broadcasting, publishing or telecasting.

2.02 Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion does not apply to:

- A) Any insured while using or legally responsible for the use of any non-owned aircraft chartered with paid crew, by or on behalf of any insured provided the actual use is with your permission. For purposes of this paragraph, the owner, pilot or aircrew or any other person operating the aircraft is not an insured.
- B) Liability for "bodily injury" to any "employee" of yours arising out of and in the course of employment by you; or
- C) Liability assumed under any "insured contract" for the ownership, maintenance or use of

2.03 Aircraft Products

"Bodily injury", "property damage", "personal injury" or "advertising injury" included in the "products-completed operations hazard" that arises out of any aircraft product designed or manufactured by you as an aircraft or for installation in any aircraft. This includes ground support or control equipment while used with aircraft.

As used in this exclusion, aircraft product means:

- A) Aircraft, including missiles or spacecraft, or any part or portion thereof; or
- B) Any article, good or product designed or manufactured for use in the control, maintenance or operation of any aircraft.

2.04 Asbestos

- A) "Bodily injury", "property damage", "personal injury" or "advertising injury" arising out of or relating in any way to asbestos;
- B) Any "claim", "suit" or proceeding arising out of or relating in any way to any demand, requirement, order, direction, determination or request that you or any other entity pay, repay or reimburse sums expended or to be expended to test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos;
- C) Any "claim", "suit" or proceeding arising out of or relating in any way to any demand, requirement, order, direction, determination or request that you or any other entity test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos;
- D) Any sums that you become legally obligated to pay as damages because of the actual, alleged or threatened discharge, dispersal, release, leakage, leaching, friability, flaking, escape or presence of asbestos; or
- E) Any loss, cost or expense arising out of or relating in any way to asbestos.

2.05 Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- A) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- B) That the insured would have in the absence of the contract or agreement.

2.06 Discrimination, Humiliation

"Bodily injury" or "personal injury" arising out of discrimination or humiliation:

- A) That is directly or indirectly related to the employment or prospective employment by the insured of any person or persons; or
- B) That is based on race, creed, color, sex, age or national origin.

2.07 Employees Retirement Income Security Act

Liability imposed upon any insured under the Employees Retirement Income Security Act (ERISA) of 1974 as now or hereafter amended, or any similar law.

2.08 Employers Liability

- A) 1) a) "Bodily injury" to any "employee" of the insured arising out of and in the course of his or her employment by the insured for which the insured may be held liable as an employer or in any other capacity;

b) Any obligation of the insured to indemnify or contribute with another because of

c) "Bodily injury" to the spouse, child, parent, brother or sister of an "employee" of the insured as a consequence of "bodily injury" to such "employee" arising out of and in the course of his or her employment by the insured.

2) However, A)1)a), b), and c) do not apply:

a) To liability assumed by the insured under an "insured contract".

b) To the extent coverage is available to the insured in a policy listed in the SCHEDULE OF UNDERLYING INSURANCE.

B) "Bodily injury" to your "employees" if the "bodily injury" arises out of and in the course of employment that is subject to the Workers Compensation Law of Massachusetts, Missouri, New Jersey, or New York. However, this provision does not apply to liability assumed by the insured under an "insured contract".

2.09 Expected or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force in protecting persons or property.

2.10 Fellow Employee Injury

Any "employee" as an insured with respect to "bodily injury" or "personal injury":

A) To you, to your partners or members (if you are a partnership or joint venture), or to a co-"employee" while in the course of his or her employment or while performing duties related to the conduct of your business;

B) To the spouse, child, parent, brother or sister of that co-"employee" as a consequence of paragraph A) above;

C) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in paragraphs A) and B) above; or

D) Arising out of his or her providing or failing to provide professional health care services.

However, this exclusion does not apply to the extent that coverage for fellow employee injury is available to the insured by a policy listed in the SCHEDULE OF UNDERLYING INSURANCE.

2.11 Impaired Property

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

A) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

B) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

2.12 Nuclear Energy

A) "Bodily injury" or "property damage":

1) With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

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pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

- B) Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.
- C) "Bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:
 - 1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
 - 2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an insured, or
 - 3) The "bodily injury" or "property damage" arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion 3) applies only to "property damage" to such "nuclear facility" and any property thereat.
- D) As used in this exclusion:
 - 1) "Hazardous properties" includes radioactive, toxic or explosive properties.
 - 2) "Nuclear material" means "source material", "special nuclear material" or "by-product material".
 - 3) "Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.
 - 4) "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".
 - 5) "Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".
 - 6) "Nuclear facility" means:
 - a) Any "nuclear reactor";
 - b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";
 - c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
 - d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

2.13 Pollution

- A) "Bodily injury", "property damage", "personal injury" or "advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
- 1) At or from any premises, site or location which is or was at any time owned or occupied by or rented or loaned to, any insured;
 - 2) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
 - 3) Which are or were at any time transported, handled, stored, treated, disposed of or processed as waste by or for any insured or any person or organization for whom you may be legally responsible; or
 - 4) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations:
 - a) If the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor; or
 - b) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

Subparagraphs A)1) and A)4)a), above, do not apply to "bodily injury" or "property damage" arising out of heat, smoke or fumes from a hostile fire. As used in this exclusion, a hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.

- B) Any loss, cost or expense arising out of any:

- 1) Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
- 2) "Claim" or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants".

- C) "Bodily injury", "property damage", "personal injury", or "advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- 1) That are, or that are contained in any property that is:
 - a) Being transported or towed by, handled, or handled for movement into, onto or from any "auto";
 - b) Otherwise in the course of transit by or on behalf of the insured; or
 - c) Being stored, disposed of, treated or processed in or upon any "auto";
- 2) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the insured for movement into or onto any "auto"; or
- 3) After the "pollutants" or any property in which the "pollutants" are contained are moved from any "auto" to the place where they are finally delivered, disposed of or

Paragraph C)1), above, does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of any "auto", or its parts, insured by a policy listed in the SCHEDULE OF UNDERLYING INSURANCE, if:

- a) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- b) The "bodily injury", "property damage", "personal injury" or "advertising injury" does not arise out of the operation of any equipment listed in paragraphs F)2) and F)3) of the definition of "mobile equipment".

Paragraphs C)2 and C)3), above, of this exclusion do not apply to accidents that occur away from premises owned by or rented to an insured with respect to "pollutants" not in or upon any "auto" insured by a policy listed in the SCHEDULE OF UNDERLYING INSURANCE, if:

- a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned, or damaged as a result of the maintenance or use of that "auto"; and
- b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

2.14 Property Damage

"Property damage" to:

- A) Property which is owned by, leased by, rented to or used by you;
- B) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- C) Personal property in the care, custody or control of the insured;
- D) Property, other than aircraft or watercraft, rented or loaned to you, occupied or used by you or in your care, custody or control to the extent you are obligated by contract to provide insurance for such property;
- E) Aircraft or watercraft owned or rented by you or in your care, custody or control; or
- F) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations;
- G) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it. This paragraph does not apply to "property damage" included in the "products-completed operations hazard";
- H) "Your product" arising out of it or any part of it; or
- I) "Your work" arising out of it or any part of it and included in the "products-completed operations hazard". This exclusion does not apply if the damaged work or work out of which the damage arises was performed on your behalf by a subcontractor.

Paragraph B) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs A), F) and G) of this exclusion do not apply to liability assumed under a sidetrack agreement.

2.15 Racing

"Bodily injury" or "property damage" arising out of the use of any "auto" or "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity. However, this exclusion does not apply to those activities for which coverage is afforded to the insured by a policy listed in the

2.16 Recall of Products, Work or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- A) "Your product";
- B) "Your work"; or
- C) "Impaired property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

2.17 Uninsured Motorist, No-Fault

Damages claimed for any loss, cost, or expense under any uninsured motorist, underinsured motorist, automobile no-fault or first party personal injury protection law, or any similar law.

2.18 War

"Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

2.19 Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion does not apply to:

- A) A watercraft that is:
 - 1) Less than 51 feet long owned by any insured; or
 - 2) Not owned by any insured;
 but only if the watercraft is not being used to carry persons or property for a charge;
- B) A watercraft while ashore on premises you own, rent or occupy;
- C) Liability for "bodily injury" to any "employee" of yours arising out of and in the course of employment by you; or
- D) Liability assumed under an "insured contract" for the ownership, maintenance or use of watercraft.

2.20 Workers Compensation and Similar Laws

Any obligation of the insured under a Workers Compensation, disability benefits, occupational disease or unemployment compensation law or any similar law except this exclusion does not apply to liability assumed by the insured under an "insured contract".

SECTION 3. WHO IS AN INSURED**3.01 If you are designated on the DECLARATIONS PAGE as:**

- A) An individual, you and your spouse are an insured, but only with respect to the conduct of a business of which you are the sole owner.
- B) A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- C) An organization other than a partnership or joint venture, you are an insured. Your

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duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

3.02 Any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or interest which is greater than 50%, will qualify as a NAMED INSURED if there is no other similar insurance available to that organization. However, this coverage part does not apply to:

- A) "Bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- B) "Personal injury" or "advertising injury" arising out of an offense committed before you acquired or formed the organization.

3.03 Each of the following is also an insured:

- A) Any person or organization for which you have agreed in a written contract to include as an insured, however:
 - 1) Only in connection with liability arising out of the operation of your business;
 - 2) Only to the extent that coverage is afforded to that person or organization by "underlying insurance"; and
 - 3) Only up to the extent of the limits of liability required by such contract, not to exceed the applicable LIMITS OF INSURANCE of this coverage part.
- B) Any other person or organization that is included as an insured or additional insured under "underlying insurance" is an insured but only to the extent that coverage is afforded to that person or organization by the "underlying insurance".
- C) Any person or organization while acting on your behalf as a real estate manager.
- D) Your "employees", while acting within the scope of their duties as your "employees", except in connection with the ownership, maintenance, operation, use, "loading or unloading" of an "auto", other than one owned by, loaned to, or hired for use by you.
- E) Anyone is an insured while using, with your permission, any "auto" owned, hired or borrowed by you except:
 - 1) Someone engaged in the business of selling, servicing, repairing, parking or storing "autos" unless you own or operate that business.
 - 2) The owner of an "auto" you hire or borrow including one of your "employees" or a member of the "employees" household.
- F) Any of your subsidiary companies or any company over which you exercise control and actively manage, but only to the extent that coverage is afforded to the subsidiary or managed company by "underlying insurance".

No person or organization is an insured with respect to the conduct of any current or past partnership or joint venture that is not shown as a NAMED INSURED on the DECLARATIONS PAGE.

SECTION 4. COMMERCIAL UMBRELLA CONDITIONS

4.01 Appeals

In the event you or your underlying insurer elect not to appeal a judgment in excess of the "retained limit", we may do so at our expense and will be responsible for the taxable costs, disbursements and interest incidental to those items, but in no event will our liability exceed the applicable limit specified in the LIMITS OF INSURANCE on the DECLARATIONS PAGE.

4.02 Assignment - Transfer of Your Rights and Duties

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

4.03 Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this coverage part.

4.04 Cancellation – Non Renewal

- A) The first NAMED INSURED shown on the DECLARATIONS PAGE may cancel this policy by mailing or delivering to us advance written notice of cancellation.
- B) We may cancel this policy by mailing or delivering to the first NAMED INSURED written notice of cancellation at least:
 - 1) 10 days before the effective date of cancellation if we cancel for non-payment of premium; or
 - 2) 30 days before the effective date of cancellation if we cancel for any other reason.
- C) We will mail or deliver our notice to the first NAMED INSURED'S last mailing address known to us.
- D) Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- E) If this policy is cancelled, we will send the first NAMED INSURED any premium refund due. If we cancel, the refund will be pro rata. If the first NAMED INSURED cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- F) If we decide not to renew this policy, we will mail or deliver to the first NAMED INSURED shown on the DECLARATIONS PAGE written notice of the non-renewal not less than 30 days before the expiration date.
- G) If notice of cancellation or non-renewal is mailed, proof of mailing will be sufficient proof of notice.

4.05 Changes

This coverage part contains all the agreements between you and us concerning the insurance afforded. The first NAMED INSURED shown on the DECLARATIONS PAGE is authorized to make changes in the terms of this coverage part with our consent. This coverage part's terms can be amended or waived only by endorsement issued by us and made a part of this coverage part.

4.06 Drop Down Over Underlying Insurance Aggregate Reduction Or Exhaustion

If an aggregate limit of insurance of any "underlying insurance" should be reduced or exhausted by reason of payment of damages due to injuries or offenses which occur during the POLICY PERIOD shown in the DECLARATIONS PAGE, then, subject to the applicable limits of insurance of this coverage part:

- A) In the event of "underlying insurance" aggregate reduction, this coverage part will drop down and apply in excess of the applicable reduced "underlying insurance" aggregate; or
- B) In the event of "underlying insurance" aggregate exhaustion, this coverage part will drop down and apply as "underlying insurance" subject to terms and conditions of this coverage part, for the remainder of the policy period of such "underlying insurance" or the end of this POLICY PERIOD, whichever occurs first.

No "retained limit" will apply.

4.07 Duties in the Event of Occurrence, Claim or Suit

- A) You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a "claim". To the extent possible, notice should include:
 - 1) The insured's name and address;
 - 2) How, when and where the "occurrence" or offense took place;
 - 3) The names and addresses of any injured persons and witnesses; and
 - 4) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- B) Notice of an "occurrence" or offense is not notice of a "claim". However, if a "claim" is made or "suit" is brought against any insured you must:
 - 1) Immediately record the specifics of the "claim" or "suit" and the date received;
 - 2) Notify us as soon as practicable; and
 - 3) Provide us with written notice of the "claim" or "suit" as soon as practicable.
- C) You and any other involved insured must:
 - 1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "suit";
 - 2) Authorize us to obtain records and other information;
 - 3) Cooperate with us in the investigation, settlement or defense of the "claim" or "suit"; and
 - 4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
- D) No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, without our consent.
- E) Knowledge of an "occurrence" or offense, "claim" or "suit" by the agent, servant or "employee" of an insured shall not in itself constitute your knowledge unless your officer, manager, or partner has received notice of the "occurrence", offense, "claim", or "suit".
- F) Failure by an agent, servant or "employee" of an insured (other than an officer, manager, or partner) to notify us of an "occurrence" or offense will not be considered a failure to comply with paragraphs A) and B) above.

4.08 Inspections and Surveys

We have the right but are not obligated to:

- A) Make inspections and surveys at any time;
- B) Give you reports on the conditions we find; and
- C) Recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public, and we do not warrant that conditions:

- A) Are safe or healthful; or
- B) Comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommenda-

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4.09 Legal Action Against Us

No person or organization has a right under this coverage part.

- A) To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- B) To sue us on this coverage part, unless all its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial; but we will not be liable for damages that are not payable under the terms of this coverage part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured, and the claimant or the claimant's legal representative.

4.10 Maintenance of Underlying Insurance

- A) You agree that you will maintain the "underlying insurance" without alteration of terms, limits or conditions in full effect during this POLICY PERIOD, except for any reduction or exhaustion of the aggregate or occurrence limits in the "underlying insurance" as described in Condition 4.06, Drop Down Over Underlying Insurance Aggregate Reduction Or Exhaustion.

- B) If any "underlying insurance" is not available or collectible because of:

- 1) the bankruptcy or insolvency of the underlying insurer(s) providing that "underlying insurance"; or
- 2) the inability or failure for any other reason of the underlying insurer(s) to comply with any of the obligations of its policy,

then this coverage part will apply (and amounts payable will be determined) as if that "underlying insurance" were available and collectible.

- C) Your failure to comply with this condition will not invalidate this coverage part. In the event you fail to comply, we will be liable only to the extent we would have been had you maintained the "underlying insurance".

4.11 Other Insurance

If you have collectible insurance available to you covering a loss also covered by this coverage part, the insurance afforded by this coverage part will apply as excess of and not contribute with such other insurance. However, this limitation does not apply to other insurance which is specifically written as excess insurance over the limits afforded by this coverage part.

4.12 Premiums, Premium Audit, Examination Of Your Books And Records

- A) The first NAMED INSURED shown on the DECLARATIONS PAGE:

- 1) Is responsible for the payment of all premiums; and
- 2) Will be the payee for any return premiums we pay.

- B) We will compute all premiums for this coverage part in accordance with our rules and rates.

- C) The premium on the DECLARATIONS PAGE, if stated as subject to audit, is a deposit premium only. At the close of each audit period we will compute the earned premium for that period.

- D) If stated as subject to audit, audit premiums are due and payable on notice to the first NAMED INSURED. If the sum of the POLICY PREMIUM shown on the DECLARATIONS PAGE and the audit premiums paid for the POLICY PERIOD is greater than the earned premium, we will return the excess to the first NAMED INSURED.

- E) The first NAMED INSURED must keep records of the information we need for premium

F) We may examine and audit your books and records as they relate to this coverage part at any time during the POLICY PERIOD and up to three years afterward.

4.13 Representations

By accepting this policy, you agree:

- A) The statements on the DECLARATIONS PAGE are accurate and complete;
- B) Those statements are based upon representations you made to us; and
- C) We have issued this policy in reliance upon your representations.

4.14 Separation of Insureds

Except with respect to the LIMITS OF INSURANCE, and any rights or duties specifically assigned in this coverage part to the first NAMED INSURED, this insurance applies:

- A) As if each NAMED INSURED were the only NAMED INSURED; and
- B) Separately to each insured against whom "claim" is made or "suit" is brought.

4.15 Settlement of Claims or Suits

We may pay, but we are not obligated to pay, any part or all of the "retained limit" which is not covered by "underlying insurance" to effect settlement of any "claim" or "suit". Upon notification of this action, you will promptly reimburse us for the amount of such part of the "retained limit" paid by us.

4.16 Transfer of Rights of Recovery Against Others to Us

If any insured has rights to recover all or part of any payment we have made under this coverage part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

Recoveries received will be applied first to reimburse any insured for payment it may have made in excess of the "retained limit" plus the LIMIT OF INSURANCE provided by this coverage part to the extent of such payments. We will be reimbursed next to the extent of our payments under this coverage part. If any balance remains it will be applied to reimburse you or any underlying insurer as your respective interests appear. The expenses of such recovery will be apportioned in the ratio of the respective recoveries. If there is no recovery in proceedings conducted solely by us, the expenses will be borne by us.

4.17 Unintentional Errors and Omissions

Any unintentional error or omission in the description of, or failure to describe completely, any premises or operations intended to be covered by this coverage part will not invalidate or affect coverage for those premises or operations. However, you must report such error or omission to us as soon as practicable after its discovery.

SECTION 5. DEFINITIONS

5.01 Advertising Injury

"Advertising injury" means injury arising out of one or more of the following offenses:

- A) Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- B) Oral or written publication of material that violates a person's right of privacy;
- C) Misappropriation of advertising ideas or style of doing business; or
- D) Infringement of copyright, title or slogan.

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5.02 Auto

"Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. "Auto" does not include "mobile equipment".

5.03 Bodily Injury

"Bodily injury" means bodily injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright or death resulting from bodily injury, sickness or disease.

5.04 Claim

"Claim" means a demand upon the insured for damages. "Claim" does not include reports of accidents, acts, errors, "occurrences", offenses or omissions which may give rise to a "claim" under this coverage part.

5.05 Employee

"Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

5.06 Executive Officer

"Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

5.07 Impaired Property

"Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

A) It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or

B) You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

A) The repair, replacement, adjustment or removal of "your product" or "your work"; or

B) Your fulfilling the terms of the contract or agreement.

5.08 Insured Contract

"Insured contract" means:

A) A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

B) A sidetrack agreement;

C) Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;

D) An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

E) An elevator maintenance agreement;

F) That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph F) does not include that part of any contract or agreement:

1) That indemnifies or is intended for "bodily injury" or "property damage" arising out of

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affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;

- 2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - a) Preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
 - b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- 3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in 2) above and supervisory, inspection or engineering services.

5.09 Leased Worker

"Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

5.10 Loading or Unloading

"Loading or unloading" means the handling of property:

- A) After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- B) While it is in or on an aircraft, watercraft or "auto"; or
- C) While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

5.11 Mobile Equipment

"Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- A) Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- B) Vehicles maintained for use solely on or next to premises you own or rent;
- C) Vehicles that travel on crawler treads;
- D) Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - 1) Power cranes, shovels, loaders, diggers or drills; or
 - 2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- E) Vehicles not described in A), B), C) or D) above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - 1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - 2) Cherry pickers and similar devices used to raise or lower workers;
- F) Vehicles not described in A), B), C) or D) above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos".

- 1) Equipment designed primarily for:
 - a) Snow removal;
 - b) Road maintenance, but not construction or resurfacing;
 - c) Street cleaning;
- 2) Cherry pickers and similar devices mounted on "auto" or truck chassis and used to raise or lower workers; and
- 3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

5.12 Occurrence

"Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

All damages that arise from continuous or repeated exposure to substantially the same general harmful conditions are considered to arise from one "occurrence".

5.13 Personal Injury

"Personal injury" means injury, other than "bodily injury", arising out of one or more of the following offenses:

- A) False arrest, detention or imprisonment;
- B) Malicious prosecution;
- C) The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies by or on behalf of its owner, landlord or lessor;
- D) Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- E) Oral or written publication of material that violates a person's right of privacy; or
- F) Discrimination or humiliation, but only with respect to injury to the feelings or reputation of a natural person.

5.14 Pollutants

"Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

5.15 Products-Completed Operations Hazard

- A) "Products-completed operations hazard" includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

- 1) Products that are still in your physical possession; or
- 2) Work that has not yet been completed or abandoned.

- B) "Your work" will be deemed completed at the earliest of the following times:

- 1) When all of the work called for in your contract has been completed.
- 2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- 3) When that part of the work done at a job site has been put to its intended use by

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Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- C) This hazard does not include "bodily injury" or "property damage" arising out of:
- 1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by the "loading or unloading" of it;
 - 2) The existence of tools, uninstalled equipment or abandoned or unused materials;
 - 3) Products or operations for which the classification in the "underlying insurance" carrier's policy, coverage part, or manual of rules, includes products or completed operations.

5.16 Property Damage

"Property damage" means:

- A) Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use will be deemed to occur at the time of the physical injury that caused it; or
- B) Loss of use of tangible property that is not physically injured. All such loss will be deemed to occur at the time of the "occurrence" that caused it.

5.17 Retained Limit

"Retained limit" means:

- A) An amount equal to the applicable limit of insurance for "underlying insurance"; or
- B) The amount specified in the RETAINED LIMIT (Not Covered by Underlying Insurance) on the DECLARATIONS PAGE applying to damages arising out of any one "occurrence" or offense not covered by "underlying insurance".

5.18 Suit

"Suit" means a civil proceeding in which damages because of "bodily injury", "property damage", "personal injury" or "advertising injury" to which this insurance applies are alleged. "Suit" includes:

- A) An arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent; or
- B) Any other alternative dispute resolution proceeding in which such damages are claimed and to which you submit with our consent.

5.19 Temporary Worker

"Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

5.20 Underlying Insurance

"Underlying insurance" means:

- A) Those policies designated in the SCHEDULE OF UNDERLYING INSURANCE;
- B) Any other policies purchased or issued for any newly acquired or formed organization which qualifies as a NAMED INSURED in SECTION 3. WHO IS AN INSURED;
- C) Renewals or replacements of the policies in A) and B), above, if renewed or replaced during the POLICY PERIOD of this coverage part; and
- D) Any other insurance available to, collectible by or payable on your behalf, except for other insurance which is specifically written as excess insurance over this coverage part.

5.21 Your Product

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- 1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - a) You;
 - b) Others trading under your name; or
 - c) A person or organization whose business or assets you have acquired; and
 - 2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- B) "Your product" includes:
- 1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - 2) The providing of or failure to provide warnings or instructions.
- "Your product" does not include vending machines or other property rented to or located for the use of others but not sold.

5.22 Your Work

- A) "Your work" means:
- 1) Work or operations performed by you or on your behalf; and
 - 2) Materials, parts or equipment furnished in connection with such work or operations.
- B) "Your work" includes:
- 1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
 - 2) The providing of or failure to provide warnings or instructions.

ASSURANCE COMPANY OF AMERICA CANCELLATION PROCESSING NOTICE

For your information, a cancellation has been processed on the following policy. This cancellation has resulted in premium adjustments per the recap below. Should you have any questions please contact your underwriter.

Insured's Name: BARTEC INDUSTRIES

Policy Number: CFP 26465766

Policy Effective Date: 05/26/2001

Policy Expiration Date: 05/26/2002

Producer Name: WHARTON/LYON & LYON

Producer Number: 14697981

Issuing Field Office: ZURICH GROUP-PARSIPPANY

Cancellation Effective Date: 05/26/2001

Cancellation Reason:
CXLD FLAT NOT TAKEN

Premium:

PROPERTY PREMIUM	\$167.00-
LIABILITY PREMIUM	\$5,710.00-
AUTO PREMIUM	\$21,195.00-
UMBRELLA PREMIUM	\$2,059.00-
INLAND MARINE PREMIUM	\$611.00-
TAX CREDIT	\$98.00-
 TOTAL PREMIUM CREDIT	 \$29,840.00-